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Abstract

The purpcse of the Elementary and Secondary Education Act Title I is tc provide financial assistance to local educational agencies serving areas with concentrations of educationally disadvantaged children from lcw-inccme families. This document explains the administrative structure necessary to impliment Title I programs on national, State, and local levels and the formula used in determining allccations. Amendments to the original legislatien have broadened the provisicns for eligibility and these are listed. The Commissioner of Education is responsible fcr determining the annual allocation of Title I funds to eligible county and State educatien agencies, although this law places direct responsibility for administering and implementing Title I on State education agencies. The local education agencies develop ard implement approved projects identifying the educationally disadvantaged children and their special needs. Evaluating Title I projects has evolved from the overlapping surveys of earlier years to a comprehensive and systematic process that by 1967, used standardized data. The impact of the Title I operation can be noted in tables that illustrate the shift cf expenditures away from equipment and construction in 1966 toward more actual instruction and services in 1967-68. (LN)

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U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
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HISTORY

OF

TITLE I ESEA

June 1969

EA 002 568

U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

Robert H. Finch, Secretary

James E. Allen, Jr., Assistant Secretary and Commissioner of Education

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INTRODUCTION

Poverty, delinquency, unemployment, illiteracy, and school dropouts are not new to American society. What is new is the vigorous Federal effort to meet these problems.

In the past several years, a number of laws struck at the country's social ills. These included the Manpower Development and Training Act, the Mental Retardation Facilities Act, the Vocational Education Act of 1963, and the Economic Opportunity Act. None of these, however, attacked the broad educational problems of poverty's children.

The findings of a Presidential task force and testimony before congressional committees proved the need for a massive effort to expand experimental "compensatory education" programs and to equalize educational opportunity. In response to this need, the Presidential task force prepared the basic outline for legislation enacted as the Elementary and Secondary Education Act of 1965 (P.L. 89-10).

MAJOR PROVISIONS

The Legislation

The Elementary and Secondary Education Act of 1965 (ESEA) was signed into law April 11, 1965. Title I provided that Federal aid for educationally deprived children be authorized

as Title II of P.L. 81-874. In January 1968, Congress officially redesignated the enabling legislation as Title I, ESEA--Financial Assistance to Local Educational Agencies for the Education of Children of Low-Income Families.

The purpose of this program is "to provide financial assistance . . . to local educational agencies serving areas with concentrations of children from low-income families to expand and improve their educational programs . . . [to meet] the special educational needs of educationally deprived children."

Administrative Responsibilities

The U.S. Commissioner of Education, State education agencies, and local education agencies all have responsibilities for administering the Title I program. The Commissioner conducts the program at the national level and determines funding allocations for eligible districts or counties, State agencies, and the Bureau of Indian Affairs of the U.S. Department of the Interior.

The Office of Education.--In carrying out the Commissioner's responsibilities, the Office

- Approves applications submitted by State education agencies for participation in the program.
- Makes funds available to State education agencies.
- Develops and disseminates regulations, guidelines, and other materials regarding the administration of the program.

- Provides consultative services to State education agencies for carrying out their responsibilities.
- Reviews and assesses programs and progress made under Title I throughout the Nation.
- Compiles fiscal, statistical, and program reports to the Congress and to the public from reports submitted by the State agencies.

State education agencies.--In its formal application to the Commissioner of Education to participate in the Title I program, a State education agency (SEA) includes assurances that it will administer the program and submit reports in accordance with the provisions of the law and the regulations. In the administration of the program, State education agencies

- Suballocate basic grant funds, where necessary, to eligible local education agencies.
- Assist local education agencies in the development of projects.
- Approve proposed projects in accordance with the provisions of Title I and make payment of funds to local education agencies.
- Maintain fiscal records of all grant funds.
- Prepare and submit fiscal and evaluative reports to the Office of Education.

Local education agencies.--The local education agency (LEA) develops and implements approved projects to fulfill the intent of Title I. It identifies the educationally deprived children in areas where there are high concentrations of children from low-income families, determines their special needs, designs projects to carry out the purposes of the

legislation with regard to such children, and submits applications to the appropriate State education agency for grants to fund proposed projects. The local education agency also

- Uses grant funds for the purposes for which the projects have been approved.
- Makes available for inspection by the public the terms and provisions of each approved project.
- Maintains adequate fiscal records on all project funds and reports to the State education agency on the use of such funds.
- Maintains fiscal effort with respect to total current expenditures for education and also with respect to such expenditures in the project areas.

Grant Structure

The law provides for Federal grants to State education agencies to make basic and incentive grants to local education agencies, and to pay for State administration of the program. The Commissioner of Education is required to compute basic grants for each eligible school district for which the requisite census data are available. When such data are not available, the Commissioner determines the aggregate maximum basic grant for each county. Since the Act has been in effect, the Office of Education has computed allocations by county, and the State education agencies have suballocated the county amounts to the local education agencies within each county.

The incentive-grant provisions have not been implemented.

Part of each Title I appropriation is set aside for State education agency administrative expenses. The legislation

authorizes payments to each SEA of up to 1 percent of the total amount actually paid to local education agencies for Title I projects in the State.

Formula

When the law was first signed, it required the use of two poverty indicators in the formula to distribute funds:

A. The number of children aged 5 through 17 from families with an annual income of less than $2,000.

B. The number of children aged 5 through 17 from families with incomes exceeding $2,000 in the form of aid to families with dependent children (AFDC), under Title IV of the Social Security Act.

The third factor was

C. One-half the average per pupil expenditure in the State for the 2d preceding year.

Substituting the symbols used above for the factors themselves, the formula applied was:

(A+B)xC=the number of dollars of the maximum basic grant.

Prior to November 3, 1966, and the passage of P.L. 89-750, the AFDC data used were those most comparable to the 1960 census. P.L. 89-750 required the use of data from the latest calendar or fiscal year; with passage of P.L. 90-247 on January 2, 1968, the period for determining the number of AFDC children was eliminated. The number of AFDC children has since been determined by "caseload data for the month of January of the preceding fiscal year."

When P.L. 89-750 became effective, two other factors were added to the funding formula. These were the number of children supported in foster homes with public funds, and the number of children in institutions for neglected or delinquent children, provided their education was not the responsibility of a State agency. The total number of children aged 5-17 counted in these categories during each of the first 4 years of Title I are shown in table 1.

Table 1. Number of children on which allocations to local education agencies were based, by category: Fiscal years 1966-69

Category	Fiscal year			
	1966	1967	1968	1969
Total	1/ 5,530,718	1/ 6,019,236	1/ 6,377,760	6,665,419
Census	4,948,140	4,948,140	4,948,140	4,948,140
AFDC	582,578	857,651	1,211,652	1,501,515
Neglected or delinquent	NA	64,750	69,273	71,462
Foster homes	NA	148,695	148,695	144,302

NA = Not available.
1/ Data for ineligible counties not included in totals.

P.L. 89-750 authorized the use of $3,000 as the low-income factor beginning with fiscal year 1968. But the effect of this change was nullified by P.L. 90-247, which stipulated that the $3,000 factor was not to be used until appropriations reached the level required to provide maximum grants to all eligible agencies on the basis of the $2,000 factor.

County or LEA allocation (low-income children).--On July 1, 1967, P.L. 89-750 changed the per pupil expenditure factor from one-half the State average per pupil expenditure for education as determined by the Commissioner to one-half the State or national average, whichever is higher.

A State's authorization is the sum of its county authorizations. A county authorization is determined by multiplying the per pupil expenditure factor by the sum of the county's low-income children, AFDC children, children in foster homes, and children in institutions for the neglected or delinquent not under State aegis.

State agency allocation for handicapped children.--The number of children counted for each State agency for handicapped, neglected, or delinquent children has been the average daily attendance of children at schools operated or supported by the agency. The State agency program for handicapped children was added during fiscal year 1966, with one-half the State average per pupil expenditure as the multiplier. In 1968, the same year as for local programs, that multiplier was changed to one-half the State or national average, whichever is higher.

State agency allocation for neglected or delinquent children.--Grants to State agencies for institutionalized neglected or delinquent children were authorized for fiscal year 1967

by P.L. 89-750, with the State average per pupil cost of education as the multiplier. In fiscal year 1968 the State average was used again, but for fiscal year 1969 (under P.L. 90-247) the multiplier was changed to one-half the State or national average, whichever is higher.

State agency allocation for migratory children.-- Beginning with fiscal year 1967, grants were made to State education agencies for special programs for "migratory children of migratory agricultural workers." The maximum grant for each State education agency for this purpose is based on the number of intra-State migratory children and the State's full-time equivalent number of inter-State migratory children, "as determined by the Commissioner in accordance with regulations." The regulations state that the Commissioner shall estimate the number of migratory children for each State on the basis of the best data available to him on the average numbers of intra-State and inter-State migratory farm workers. U.S. Department of Labor statistics are being used. The multiplier for FY 1967 and FY 1968 of the migratory program was one-half the national average per pupil cost of education. It was changed under P.L. 90-247, beginning with the 1969 program, to one-half the State or national average, whichever is higher.

Table 2 shows the total number of children counted for payment for State agency programs for the fiscal years 1966 through 1969.

Table 2. Number of children on which allocations to State agencies for handicapped, neglected or delinquent, and migratory children were based, by category: Fiscal years 1966-69

Category	FY 1966	FY 1967	FY 1968	FY 1969
Total	65,440	293,360	292,065	300,118
Handicapped	65,440	82,797	87,389	96,633
Neglected or delinquent	NA	40,653	41,394	46,332
Migratory	NA	169,910	163,282	157,153

NA = Not available.

The formulas explained above were not applicable to the outlying areas of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands. Instead, the Commissioner was required to reserve for these areas an amount equal to not more than 2 percent of the current appropriation. Under P.L. 89-750 the Department of the Interior was added to the same section in which this reservation appears and the total percentage was raised to 3 percent.

Eligibility

Under the original legislation, a local education agency was required to have at least 100 children from low-income families or 3 percent of its total enrollment from low-income families. However, determinations have been made only at the county level. The minimum required for a county allocation during 1965-66 was 100 children from low-income families.

During that 1st year, 1965-66, separate determinations of eligibility were made for a few local education agencies located within ineligible counties. In these cases the data were supplied by the State education agencies.

For the 2d year, 1966-67, P.L. 89-750 changed the required number of children for eligibility to 10, both for counties and for local school districts. P.L. 89-750 also provided that a total of 10 children from all categories--census, AFDC, foster homes, and institutions--rather than just from the census, would be sufficient for eligibility.

Other Provisions

The Act authorized the Commissioner of Education to withhold funds from any SEA that failed to meet its obligations. It also described the procedures for judicial review in such cases. In addition, the Act called upon the President to name a National Advisory Council on the Education of Disadvantaged Children. The Council is charged with responsibility for reviewing the administration of Title I and its effectiveness and for reporting its findings and recommendations annually to the President and the Congress.

Amendments

The major amendments to the original Title I ESEA legislation were provided by Public Laws 89-313, 89-750, and 90-247. These amendments provided for:

. Allocations to State agencies directly responsible for the free public education of handicapped children. (P.L. 89-313)

. Change in the computation of the amounts for State administration to 1 percent of the amount allocated (instead of paid) for Title I programs in a State or $75,000, later $150,000, whichever is higher. The minimum for the outlying areas was changed to $25,000. (P.L. 89-313 and P.L. 89-750)

. Allocations to the Department of the Interior for the special educational needs of Indian children on reservations. (P.L. 89-750)

. Use of the most recent AFDC data in determining county allocations. (P.L. 89-750 and P.L. 90-247)

. Allocations to State agencies directly responsible for the free public education of children in institutions for neglected or delinquent children. (P.L. 89-750)

. Addition of children in institutions (not under a State agency) for neglected or delinquent children, and children in foster homes, to the children from the census and from AFDC families for the purpose of determining county allocations. (P.L. 89-750)

. Allocation to State education agencies of Title I funds for grants, to be approved by the Commissioner upon application by the SEA, for programs for migratory children of migratory agricultural workers. (P.L. 89-750)

. Establishment of $2,500 as a minimum amount for a Title I project unless the applicant agency finds it impossible to join with other agencies in a cooperative project.

. Use of one-half the State or national average per pupil cost of education, whichever is higher, in determining maximum allocations for counties and for State agencies. (P.L. 89-750 and P.L. 90-247)

. Requirement of the joint training of education aides and the professional staff they assist. (P.L. 89-750)

. Requirement of a report with recommendations on the use of data later than 1960 in computing county allocations. (P.L. 90-247)

- Requirement of a report from the National Advisory Council on the Education of Disadvantaged Children on the most promising compensatory education programs. (P.L. 90-247)

- Repeal of the original incentive grant provisions (P.L. 89-750) and establishment of new incentive grant provisions (P.L. 90-247), neither of which has been funded.

ADMINISTRATION OF TITLE I

Allocations

The Commissioner of Education is responsible for determining the annual allocation of Title I funds to each eligible county; to each eligible State education agency for its programs for delinquent, neglected, and foster children, and for handicapped children; and to each State education agency for its program for migratory children, and to administer all Title I programs in its State.

One of the most important factors in figuring allocations to counties is the number of low-income children reported in the 1960 census. Unfortunately, population figures quickly become outdated. And by 1965, some local education agencies indicated that their allocations did not truly reflect the number of low-income families residing in their areas at that time.

As a result, the Office of Education revised the Title I regulations regarding subcounty allocations. The revised regulations, published February 9, 1967, require the SEA to distribute a county allocation to its LEAs using the total

number of children in each school district from families receiving AFDC payments. This method is used except when it does not reflect the current distribution of children from low-income families. In that event, the AFDC data may be combined with other data on a weighted basis.

Because of the addition of institutionalized children in determining the formula amounts for certain counties, the revised regulations also require that allocations for these children be assigned to the LEAs where those children reside. State agency allocations are based on the total average daily attendance of children in schools operated or supported by that agency. Hence SEAs do not suballocate. State agency grants and the budgeting of funds for Title I projects at the various institutions are the responsibility of the applicant State agency.

Ratable Reductions

To operate the program during 1965-66, Congress provided that all eligible agencies receive the maximum allocations authorized by the Title I formula. Ratable reductions were required beginning with fiscal year 1967.

The full effect of these reductions was mitigated, however, by express provisions in each of the annual appropriation acts and by P.L. 90-247. For 1967, "floor" amounts were established for each State at the level it spent in 1966. Separate amounts were also made available in 1967 at very reduced levels for the

newly authorized State agency programs for neglected or delinquent, handicapped, and migrant children.

As provided by P.L. 90-247, all 1968 State agency programs were fully funded and no State received less than the amount it received in 1967 for all of its LEAs. About 50 percent of the States received more in 1968 than in 1967. These States, for the most part, were the States where maximum grants were computed using one-half the national average per pupil expenditure, rather than their State average per pupil expenditures (which were lower than the national average).

For 1969, in accordance with the appropriation act, the State agency programs were again fully funded and each State was guaranteed an amount for its LEAs equal to 92 percent of the amount available for those agencies as a group in 1968. For 1969 only one State received more than its guaranteed amount and this amount was comparatively small. The amounts authorized and the amounts appropriated for local and State agency programs and for State administration for 1966-1969 are shown in table 3.

The establishment of floor amounts by States for grants to LEAs does not prevent changes in county allocations. In States where the total number of children counted for payment is increasing, some county allocations increase, some remain stable, and others decrease, depending on the number of eligible children in each county.

Table 3. Authorizations and appropriations for local and State agency programs and for State administration: Fiscal years 1966-69

Fiscal year	Total	Local agencies	State agencies	State administration
1966				
Authorized	$1,192,981,206	$1,164,529,100	$15,917,101	$12,535,005
Appropriated	959,000,000	1/	1/	1/
1967				
Authorized	1,430,763,947	1,345,820,593	70,240,679	14,702,675
Appropriated	1,053,410,000	1,015,152,657	27,078,410	11,178,933
1968				
Authorized	1,902,136,223	1,804,963,018	76,721,593	20,451,612
Appropriated	1,191,000,000	1,100,287,599	76,721,593	13,990,808
1969				
Authorized	2,184,436,274	2,072,075,264	89,283,432	23,077,758
Appropriated	1,123,127,000	1,020,438,980	89,283,432	13,404,588

1/ No ratable reduction required for 1966 although only $959,000,000 was appropriated.

Changes in the intra-State distribution of fixed amounts of Title I funds are due almost entirely to changes in the number of children counted on the AFDC rolls.

It should be noted that under Title I, as originally enacted, no applicant could actually receive a grant in excess of 30 percent of the amount it had budgeted from State and local funds for current expenditures. This percentage was changed under P.L. 89-750 to 50 percent for 1967. On July 1, 1968, the limitation lapsed, and it has not been reenacted.

Implementation

Preparation for the administration of Title I began with the establishment in April 1965 of a task force as part of an overall ESEA coordinating committee. The task force presented draft regulations and a model application form for Title I at a meeting of Chief State School Officers in Washington, D.C., June 23-24, 1965.

In July, the Division of Program Operations, later the Division of Compensatory Education, was established in the Office of Education's Bureau of Elementary and Secondary Education, and assumed responsibility for administering Title I at the Federal level.

The law places the direct responsibility for administering Title I on State education agencies. These agencies were not required to submit specific administrative plans but merely to submit applications to participate, stating that they would comply with the basic assurances required by the Act.

In approving a project application from a local education agency, the SEA must be sure that:

1. The program will serve children in areas with high concentrations of children from low-income families.
2. The program is designed to meet the special educational needs of educationally deprived children in the eligible attendance areas.

3. The program has sufficient size, scope, and quality to give reasonable promise of meeting special educational needs.
4. The program will provide opportunities for the participation of educationally deprived children enrolled in private schools.
5. Control of Title I funds and title to property acquired with such funds will be in public agencies.
6. Effective procedures for evaluation will be adopted, including the use of appropriate objective measurements.
7. Effective procedures will be adopted for dissemination.
8. The local agency's plans for construction, if any, are consistent with overall State plans.
9. The applicant will make an annual evaluation report and other reports as required by the SEA.

The first regulations for Title I, published September 15, 1965, used the term "project area" to designate an area with a high concentration of children from low-income families. An "attendance area" was defined as a geographical area served by a public school, and the term "high concentration" was applied to an attendance area with a percentage of low-income children equal to or in excess of the percentage for the school district as a whole.

In the revised regulations, published March 11, 1966, attendance areas with a higher-than-average number of children from low-income families could also be considered as project areas. This amendment allowed local education agencies, whose attendance units varied widely, to select their project areas on either a percentage or numerical basis.

From the outset, the term "program" has been applied to the applicant's entire Title I plan, and the term "project" to an activity or a set of related activities within a program. During the 1st year of operation, it was not uncommon for a local education agency to submit several projects. Today, applicants usually submit only one or two applications which include their entire program for the year.

In the 1st year of Title I, State education agencies had to rely on the judgment of their professional people in determining the acceptability of programs and projects. These professionals, in turn, relied upon the applicants' statements. With each succeeding year, however, SEAs have been able to review the operation of local projects, analyze their evaluations, and generally acquire better information on which to base their approval or disapproval of project proposals.

In October 1965, the Office of Education presented draft "guidelines" to State Title I administrators at five regional meetings. These "guidelines" provided basic information about Title I, some technical information about fiscal administration and evaluation, and actual guidelines on the development and

approval of projects. Included in the materials on project design were the basic legal requirements and general information concerning how those requirements should be met. For example, the guidelines explained some alternative ways of determining the concentrations of low-income families for a school district as a whole and for its attendance areas. They indicated, too, how educationally deprived children might be identified, their needs analyzed, and appropriate objectives developed for Title I projects. The draft guidelines were revised on the basis of the discussions with State administrators and in January 1966 were made available in final printed form for the SEAs to distribute to the local agencies within their respective States.

In the development of Title I regulations and guidelines no subject received more attention than the participation of educationally deprived children in private schools. The task force early decided that educationally deprived children living in applicants' project areas should have the same opportunity to participate in Title I activities as public school children with similar needs. At the same time, Title I activities and services for private school children must be offered under public school supervision and control and cannot benefit a private school. It was anticipated that many opportunities would develop for joint participation of public and private school children on public premises. Questions arose early,

however, concerning participation on the premises of a private school. This was looked upon by many as involving possible breaches of the provision of the Constitution of the United States with respect to the separation of church and state.

As State and local education agencies began to implement Title I, questions arose as to whether the SEAs were approving programs that did not provide for sufficient participation by private school children. A number of suits and a few informal complaints have been filed. The Supreme Court, in Flast vs. Cohen, ruled that a taxpayer could bring suit challenging the constitutionality of the Act and remanded the case to the Federal district court where it is now pending.

While questions of insufficient or wrongful participation still arise, the wording of the regulations with respect to such participation is no longer a matter of great concern. The following paragraph (from section 116.19 of the current regulations) has been widely accepted as a fair standard for the participation of private school children:

> The needs of educationally deprived children enrolled in private schools, the number of such children who will participate in the program and the types of special educational services to be provided for them, shall be determined, after consultation with persons knowledgeable of the needs of these private school children, on a basis comparable to that used in providing for the participation in the program by educationally deprived children enrolled in public schools.

The regulations were amended March 11, 1966, primarily to incorporate provisions relating to P.L. 89-313. The regulations were further revised and reissued in complete form on February 9, 1967, to include provisions of P.L. 89-750 and to clarify earlier provisions. The latest amendments to the Title I regulations were published in the Federal Register, November 28, 1968, to reflect the Title I amendments in P.L. 90-247.

Program Criteria

The law requires the SEA to make certain determinations "consistent with such criteria as the Commissioner may establish." However, no attempt was made to issue formal criteria until March 1967. Up to that time, the Office of Education had issued only separate Title I regulations and policy memorandums.

The first set of criteria, dated April 14, 1967, was sent to Chief State School Officers and State Title I Coordinators, as Program Guide #36. This was revised March 18, 1968, and issued again as Program Guide #44. The revised criteria cover: (a) Selection of attendance areas; (b) comprehensive assessment of needs; (c) planning; (d) program design; (e) implementation of Title I programs; (f) evaluation; and (g) restriction of the use of Title I funds to support activities that supplement and do not supplant State and local funds.

The criteria reflect the legal requirements for inter-program and interagency coordination. Emphasis is placed on the involvement of other programs and other agencies in the planning and development of comprehensive compensatory education programs.

Applicants are required to show how their programs are coordinated with their regular educational programs and that consideration is given to the need for both regular and summer term activities.

The criteria also clarify policy requiring the use of Title I funds to supplement and not supplant State and local funds. Applicants are not allowed to withdraw State and local funds from Title I areas or fail to provide these areas with regular school services that are available in non-Title I areas.

Another criterion restated an earlier policy memorandum ruling that no child can be denied Title I services merely because he has enrolled in another school.

Additional memorandums stress parent and community involvement and the improvement of Title I programs through the concentration of services in the most impoverished areas and on the multiple needs of the most needy children in those areas. Recent efforts focus attention on ways to improve the quality of Title I programs--based on the experience of the first 3 years. These efforts include program memorandums to the States, dissemination of information about outstanding

projects, and conferences aimed at State leadership for the improvement of programs.

EVALUATION AND REPORTS

States desiring to participate in Title I must assure the Commissioner of Education

> that the State educational agency will make to the Commissioner (A) periodic reports (including the results of objective measurements required by section 105(a)(6)) evaluating the effectiveness of payments under this part and of particular programs assisted under it in improving the educational attainment of educationally deprived children, and (B) such other reports as may be reasonably necessary to enable the Commissioner to perform his duties under this title (including such reports as he may require to determine the amounts which the local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.--Section 106(a)(3), P.L. 89-10 as amended.

Local education agencies may receive grants provided

> that effective procedures, including provision for appropriate objective measurements of educational achievement, will be adopted for evaluating at least annually the effectiveness of the programs in meeting the special educational needs of educationally deprived children.--Section 105(a)(6), P.L. 89-10 as amended.

Under these provisions the Commissioner of Education has sought information on the operation and evaluation of Title I to determine (1) if Federal funds are reaching children in low-income areas and (2) if the program is meeting the needs of educationally deprived children. Information on the operation

of the program is reported in annual statistical reports from local education agencies and annual financial reports from State education agencies.

The annual statistical report provides information about the degree of participation in the program, the kinds of activities and services offered, and the personnel who staff the program activities. The annual financial report submitted by each State shows the actual amounts expended by budget categories for each of the Title I programs and for State administration.

Information on program effectiveness is obtained from State and local annual evaluation reports, and, for 1967-68, through a nationwide survey of Title I children, teachers, and schools as well. State annual evaluation reports are based on a questionnaire prepared by the Office of Education. The States, in turn, prepare for local education agencies evaluation guidelines that meet both Federal and State requirements.

Because Title I began late in the 1965-66 school year, little evaluation was possible during the 1st year. There was no time for pretesting and posttesting; there was little objective analysis of the program. There were, however, numerous comments from teachers, school administrators, and parents--all praising the program and what it had done for their children.

The 2d year of Title I saw more comments but also some objective data on achievement. Dropout and attendance rates were compared and analyzed; so were reading and math scores. However, data collection procedures were still not standardized, and the validity of many of these comparisons was highly questionable.

The 3d year of Title I produced a new dimension in evaluation techniques. A highly refined instrument was developed by the Office of Education in cooperation with State and local Title I evaluation personnel. It provided an indepth analysis of some 180,000 pupils in nearly 4,000 Title I schools, and descriptions of approximately 33,000 of their teachers.

The State annual evaluation report requirement was retained but the format was changed to eliminate overlap with the nationwide survey. The State format for 1967-68 was less structured and sought information in such areas as State educational efforts to improve the quality of Title I projects, the impact of Title I on children enrolled in nonpublic as well as public schools, and State responses to legislative changes and Office of Education policy.

Thus, for the first time, a comprehensive evaluation of the Title I program has been carried out. Information has been obtained on the effectiveness of the program which should lead to recommendations for making it more responsive to the needs of disadvantaged children.

IMPACT AND EFFECTIVENESS OF THE TITLE I PROGRAM

Most local education agencies and State agencies for handicapped children began their Title I programs about midway through the 1965-66 school year. Many agencies, however, were not able to implement their programs until the summer of 1966, and some were not able to utilize the full amounts of their allocations. Local education agencies actually spent $969,934,724, or 83 pecent of the total $1,164,529,100 allocated. The State agencies for handicapped children spent $11,165,689, or 70 percent of the total $15,917,101 allocated for those agencies.

In the following year, 1967, State agencies for neglected delinquent and migratory children also received allocations and participated in the program.

The 1st full year of Title I operation--for local education agencies (LEAs) and State agencies for the handicapped-came in 1966-67. Agencies now operated for 9 to 12 months on about the same amount of money that had been available for 6 to 8 months' operation the 1st year.

As a result, local education agencies shifted their spending patterns. More money went into instruction--65.8 percent in 1967 compared with 51.6 percent the 1st year. Expenditures for equipment decreased from 21.2 to 7.7 percent, and expenditures for construction decreased from 10 to 5 percent.

Firm data on expenditures for 1968 are not yet available, but they are expected to follow generally the 1967 pattern as shown in figure 1.

Figure 1.--Title I expenditures by local education agencies

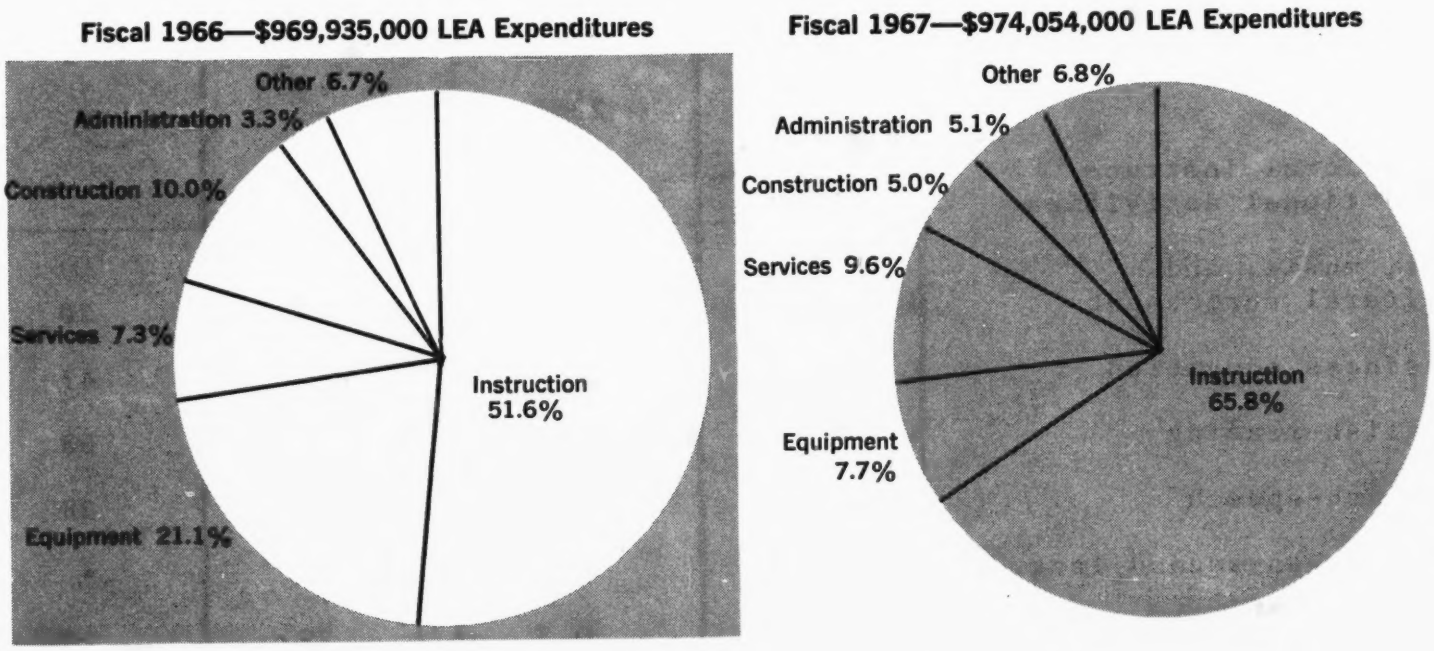

Table 4 shows where the money went in terms of instructional and service activities. About 50 percent of the expenditures for instructional activities were directed to English (reading, speech, and English as a second language). Art, music, and cultural enrichment, general prekindergarten and kindergarten, and mathematics instruction accounted for another 25 percent. Library, guidance and counseling, and food and health services comprised the major expenditures in the service categories.

Despite late starts, local education agencies provided supplementary activities and services for almost 8.3 million children in 1966. The next year the number of participants increased to 9 million, in 1968 to an estimated 9.2 million.

Table 4. Percent distribution of expenditures by local education agencies for instructional and service activities, and average expenditure per child: Fiscal years 1966-67

Item	Expenditures		Average expenditure per child	
	FY 1966	FY 1967	Fy 1966	Fy 1967
Total	100.0	100.0	$119	$108
Instructional	72.0	76.3	-	-
Service	28.0	23.7	-	-
Total instructional activities	100.0	100.0	-	-
Art, music, and cultural enrichment	10.3	10.1	23	20
Business education	2.8	0.9	42	47
English-reading	45.4	48.0	56	68
English-speech		3.5		28
English-as-second lang.		1.9		-
Foreign language	0.4	0.3	29	28
Home economics	0.5	0.4	18	27
Industrial arts	1.0	0.8	30	43
Mathematics	5.2	6.0	20	25
Physical education/ recreation	4.3	3.8	15	13
Natural science	4.1	2.1	19	14
Social science	2.9	2.2	14	14
Vocational education	1/	1.3	1/	93
Special activities for handicapped	1.7	3.0	202	164
Prekindergarten and kindergarten (except for handicapped	1/	7.9	1/	149
Other	21.4 2/	7.8	59 2/	31

Table 4. Percent distribution of expenditures by local education agencies for instructional and service activities, and average expenditure per child; Fiscal years 1966-67--continued

Item	Expenditures		Average expenditure per child	
	FY 1966	FY 1967	FY 1966	FY 1967
Total service activities	100.0	100.0	-	-
Attendance	2.2	5.3	7	13
Clothing	1.0	1.0	13	7
Food	9.6	14.8	12	18
Guidance/counseling	11.1	15.2	13	18
Health-dental	1/	2.8	1/	10
Health-medical	10.2	9.5	11	10
Library	20.8	20.2	13	13
Psychological	1/	3.9	1/	15
Social work	3.2	6.0	12	12
Speech therapy	3/	2.8	47	21
Transportation	7.6	8.0	9	10
Special activities for handicapped	1/	0.9	1/	39
Other	34.3 4/	9.6	7	9

NOTE: Average expenditure per child, Department of the Interior, Bureau of Indian Affairs - $91.

1/ Not separately identified.
2/ Includes $44 and 19.3 percent for general compensatory education.
3/ 1.5 percent included with instructional activities.
4/ Includes 29.7 percent for books, supplies, and materials.

As shown in table 5, the distribution of children by grade span participating in Title I projects remained almost constant from 1966 to 1967. About 59 percent of the children were in the elementary grades (grades 1-6), about 35 percent in the secondary grades, and 5 percent in kindergarten or prekindergarten programs.

Table 5. Percent distribution of children participating in Title I ESEA activities conducted by local education agencies, by grade span: Fiscal years 1966-67

Grade span	FY 1966	FY 1967
Total	100.0	100.0
Prekindergarten and kindergarten	5.9	5.3
Grades 1-6	58.6	58.8
Grades 7-12	35.5	34.4
Ungraded	-	1.5

The number of Title I children in public and nonpublic schools as well as those out of school who participated in Title I programs is reported in table 6. As can be seen, the number and percentage of private school children in Title I decreased from 1966 to 1967, but Title I expenditures per private school child increased from $57 to $75.

At the same time, LEAs put much less money into summer programs during the 2d year of Title I, and fewer children were involved.

Table 6. Participating children, by grade span and whether enrolled in public school, nonpublic school, or not in any school: Fiscal years 1966-67

Grade span	Total		Public		Nonpublic		Institutionalized				Out-of-school youth	
							Delinquent		Neglected			
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Fiscal year 1966												
Total	8,299,900	100.0	7,596,900	91.6	526,600	6.3	1/	-	1/	-	176,400	2.1
Prekindergarten and kindergarten	481,200	100.0	405,700	84.3	26,200	5.5	1/	-	1/	-	49,300	10.2
Grades 1-6	4,864,600	100.0	4,460,900	91.7	350,800	7.2	1/	-	1/	-	52,900	1.1
Grades 7-12	2,954,100	100.0	2,730,300	92.4	149,600	5.1	1/	-	1/	-	74,200	2.5
Ungraded	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Fiscal year 1967												
Total	9,046,200	100.0	8,509,860	94.1	466,100	5.2	2,110	2/	14,110	0.2	54,020	0.5
Prekindergarten and kindergarten	475,170	100.0	440,410	92.7	15,290	3.2	-	-	230	2/	19,240	4.1
Grades 1-6	5,317,830	100.0	4,982,900	93.7	320,720	6.1	300	2/	6,960	0.1	6,950	0.1
Grades 7-12	3,113,500	100.0	2,961,340	95.1	125,400	4.1	1,420	2/	5,670	0.2	19,670	0.6
Ungraded	139,700	100.0	125,210	89.6	4,690	3.4	390	0.3	1,250	0.9	8,160	5.8

NA = Not available.
1/ Not applicable in FY 66.
2/ Less than .05 percent.

Table 7 shows that 32.6 percent of the children participated in summer programs in 1966 compared to 21.5 percent in 1967. Also, expenditures for summer programs dropped--from 23.9 to 17.2 percent. Expenditures per child, however, were approximately the same for both summers.

Table 7. Selected figures for summer programs operated by local education agencies: Fiscal years 1966-67

Item	FY 1966	FY 1967
Number of children participating	2,702,100	1,947,010
Percent of total children participating	32.6	21.5
Total expenditures	$236,147,000	$167,856,000
Percent of total expenditures	23.9	17.2
Average expenditure per child	$87	$86

Perhaps the most dramatic statistical change created by Title I is in the number of staff members employed by local school districts. Over 350,000 administrators, teachers, aides, and others were employed under Title I in both 1966 and 1967. (See table 8.) Although the number of personnel was down slightly (about 7 percent) in 1967, the amount spent on salaries rose nearly 35 percent. The reason for larger salary expenditures is, of course, the full-year of operation in 1967.

Interestingly enough, the number of nonprofessional staff members did not decline from 1966 to 1967 but actually increased

Table 8. Staff members employed in programs operated by local education agencies, salaries paid, and inservice training: Fiscal years 1966-67

Item	FY 1966	FY 1967	Percent change
A. Number of staff members employed:			
Total	381,700	355,440	-6.9
Professional	265,000	229,740	-13.3
Nonprofessional	116,700	125,700	7.7
B. Expenditures for salaries:			
Total	$468,718,993	$631,909,600	34.8
Professional	379,662,384	485,102,800	27.8
Nonprofessional	89,056,609	146,806,800	64.8
C. Number of staff who received inservice training:	NA	276,500	-
Expenditures for inservice training	$23,908,720	1/ $22,615,100	-5.4
Percent of total	2.4	2.3	-

NA = Not available
1/ Includes $164,000 for Department of the Interior, Bureau of Indian Affairs.

almost 8 percent. At the same time, expenditures for salaries for nonprofessionals rose nearly 65 percent. In 1966 and again in 1967, about $23 million in Title I money provided inservice training for more than a quarter of a million staff members.

The impact of these expenditures--for instruction, services, equipment, staff and staff training, and so forth--is reflected in the evaluation reports from both State and local education

agencies, as well as independent studies conducted for the Office of Education under contract. Many of these indicate that children who have been falling further and further behind their peers in academic achievement have begun to show normal rates of growth and, in some cases, have even begun to narrow the gap between their achievement levels and national norms. There also are indications that some Title I programs are lowering the dropout rate and increasing school attendance.

California, for example, reports that in a statewide sample of districts, about 45 percent of the students were in Title I projects with an average academic growth of 1 year or more. About 10 percent of all Title I children were in projects averaging 1.5 years or more in achievement. This percentage rose to 14 percent in districts outside the big cities.

During the 1st 2 years of Title I, New York State reported that all but 1,300 of nearly 315,000 participants improved with the help of specialized reading programs. Substantial gains also were made in arithmetic as measured by the California arithmetic test.

To be effective, Title I programs must be carefully designed and executed. They also must focus on the neediest children and their most urgent needs. This is the dilemma facing many local education agencies today: How to use their already limited Title I funds to achieve the greatest impact.

The trend, to date, has been to serve more and more children but with less and less money, as indicated in table 9 below.

Table 9. Number of children counted per formula, number of children participating, and amounts allocated and expended per child: Fiscal years 1966-69

Year	Children counted per formula 1/ (in 1,000)	Amount allocated per child in formula	Number of children participating (in 1,000)	Average expenditure per child served
1966	5,529	$206	8,230	$118
1967	6,019	164	9,046	108
1968	6,378	168	9,200 2/	120 2/
1969	6,665	148	9,000 2/	113 2/

1/ Formula not applicable to outlying areas.
2/ Estimated.

At existing levels of funding and with educational costs constantly rising, it will not be possible to enhance or even to maintain the quality of local Title I programs unless those programs are concentrated more effectively on the most educationally deprived children.